

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Amend the Law Pertaining to Permanently Restricted Funds of Municipal Public Libraries**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 13 MRSA §4102**, as enacted by PL 1993, c. 371, §2, is amended to read:

### **§ 4102. Appropriation of appreciation**

The governing board may appropriate for expenditure for the uses and purposes for which an endowment fund is established as much of the net appreciation, realized and unrealized, in the fair value of the assets of an endowment fund over the historic dollar value of the fund as is prudent under the standard established by section 4106. The governing board of a municipal public library may appropriate for expenditure for the uses and purposes for which the endowment fund is established as much of the interest and dividend income of the endowment fund as is prudent under the standard established by section 4106, even if the fair value of the endowment fund is not greater than the historic value of the endowment fund. This section does not limit the authority of the governing board to expend funds as permitted under other law, the terms of the applicable gift instrument or the charter of the institution.

### **SUMMARY**

This bill allows the governing board of a municipal public library to spend the dividend and interest income of an endowment fund, even if the fair value of the endowment fund is less than the historic dollar value of the endowment fund.